

PMC 400.2 Indirect Rate Proposals

Rate proposals for the Lockheed Martin Maritime Systems and Sensors business unit are submitted to the Defense Contract Management Agency (DCMA). The rate proposal used for the LM MS2 application for the Advanced Composite OTEC Cold Water Pipe Project was submitted on 2/22/08 for indirect rates. This proposal was prepared in accordance with our CAS Disclosure Statement dated 11/1/07. The points of contact for Lockheed Martin and DCMA relative to rate proposal submissions are as follows:

Lockheed Martin
Rob Scheffler (856) 722-7963

DCMA
Carmen Scotese (856) 722-2738

Rate audits are usually requested by the customer to their local Defense Contract Audit Agency (DCAA) representative.

U.S. DEPARTMENT OF ENERGY
PROJECT MANAGEMENT CENTER



PRE-AWARD INFORMATION SHEET
ALL INFORMATION REQUESTED ON THIS FORM MUST BE PROVIDED

Awardee Name:	Lockheed Martin Corporation
Award Number:	DE-FG36-08GO018172
Awardee Business Officer:	Sara Wilson
Awardee Project Director:	Curtis Framel
Employer/Taxpayer Identification Number (EIN/TIN):	EX 4
Data Universal Numbering System (DUNS):	019710586

For assistance in obtaining a DUNS Number, call Dunn & Bradstreet at 1-800-333-0505.
The Applicant should be prepared to provide the following information to Dunn & Bradstreet:

- (1) Company name
- (2) Company address
- (3) Company telephone number
- (4) Line of business
- (5) Chief executive officer/key manager
- (6) Date the company was started
- (7) Number of people employed by the company
- (8) Company affiliation

Note: Awardee Name, EIN/TIN and DUNS MUST coincide with the Awardee's information recorded in the Central Contract Registry (CCR).

A. TYPE OF BUSINESS - the Awardee is a:

- ☐ For-Profit Organization (Other than Small Business)
 - ☒ Corporation
 - ☐ Partnership
 - ☐ Sole Proprietorship
- ☐ Government
 - ☐ Local Government
 - ☐ State Government
 - ☐ Indian Tribal Government
- ☐ Individual
- ☐ Institution of Higher Education
- ☐ Other NonProfit Organization
- ☐ Small Business
- ☐ Other (specify):

If NonProfit, select one below:

- ☐ A university or other institution of higher education or an organization of the type described in Section 501(c)(3) of the Internal Revenue Code of 1954 (26 USC 501(c)) and exempt from taxation under Section 501(a) of the Internal Revenue Code (26 USC 501(a)); or
- ☐ An organization of the type described in Section 501(c)(4) of the Internal Revenue Code of 1954 (26 USC 501(c)) and exempt from taxation under Section 501(a) of the Internal Revenue Code (26 USC 501(a)); or
- ☐ An organization of the type described in Section 501(c)(6) of the Internal Revenue Code of 1954 (26 USC 501(c)) and exempt from taxation under Section 501(a) of the Internal Revenue Code (26 USC 501(a)); or
- ☐ A nonprofit scientific or educational organization qualified under a State nonprofit organization statute. (Please identify the statute.); or
- ☐ Other (specify type):

Is the Applicant a member of the Federal Demonstration Partnership (FDP)? ☐ Yes ☒ No
A listing of FDP members is available at http://www.thefdp.org/FDP_Members.html.

B. INTELLECTUAL PROPERTY

1. WAIVER OF DOE PATENT RIGHTS

This section applies only to large businesses and nonprofits other than 501(c)(3) organizations. All others should leave this subsection blank and proceed to the "Rights in Application Data" subsection that follows. Large businesses and nonprofits other than 501(c)(3) organizations have the right to request, in advance or within 30 days after execution of an award, in accordance with applicable statutes and DOE Patent Waiver Regulation (10 CFR 784), a waiver of all or any part of the rights of the United States in Subject Inventions. Accordingly, please check all that apply:

- ☒ I intend to request an advance waiver in accordance with 10 CFR 784.
- ☐ I intend to request an advance waiver on behalf of one or more subrecipients/subcontractors.
- ☐ I have at least one subrecipient/subcontractor that will request a waiver on its own behalf.
- ☐ I do not intend to request an advance waiver.

2. RIGHTS IN APPLICATION DATA

For an award based on an application/proposal, the Government will obtain unlimited rights in the technical data contained in the application/proposal, unless the Awardee marks those portions of the technical information which it asserts as "proprietary data" or specifies those portions of such technical data which are not directly related to or will not be utilized in the work to be funded under this award.

Accordingly, please indicate:

- ☐ No restrictions on Government rights in technical data contained in the application/proposal; or
- ☒ The application/proposal contains the following identified technical data that is proprietary, or is not directly related to, or will not be utilized in the work to be funded under this award.

Please list specific page numbers, table numbers, etc., and the dated version of the application/proposal to which you refer: Paragraphs, Tables and Figures marked "PD" on pages 5,6,7,8,9,10,11 and 12 from application/proposal in response to CFDA 81.087 as confirmed by Grant.Gov 00476951 dated 6/15/2008

3. IDENTIFICATION OF LIMITED RIGHTS DATA AND RESTRICTED COMPUTER SOFTWARE

Below, please identify any Limited Rights Data or Restricted Computer Software you plan to use to carry out your work under the award. Limited Rights Data means data (other than computer software) developed at private expense that embody trade secrets or are commercial or financial, and confidential or privileged. Restricted Computer Software means computer software developed at private expense and that is a trade secret, is commercial or financial, and confidential or privileged, or is published, copyrighted computer software, to include modifications of the computer software.

Please note that these data do not include data that you will produce under this award. Data that is first produced under this award is treated separately under the data rights clause of this award. This section covers only those data that you bring into this award that were privately funded.

If you plan to use Limited Rights Data or Restricted Computer Software under the award, please describe it in a few sentences or bullets, with sufficient detail that the DOE Project Officer can determine whether DOE will need to have any of it delivered, for example, to validate your results or the data produced under the award. You are not required to list issued patents or published patent applications. You do need to list unpublished patent applications (by title and brief description) and trade secret processes (by non-proprietary title with brief, non-proprietary description). If you have questions regarding the completion of this section, please contact the Contract Specialist handling your award.

Based on the above, please review the requirements in the technical scope of work for this award and indicate, to the best of your knowledge:

☐ No Limited Rights Data will be utilized in the performance of this award.

☒ Limited Rights Data as follows will be utilized in the performance of this award.

Use this block to provide additional information or provide an attachment:
Cold Water Pipe design and Cold Water Pipe tool design

Based on the above, please review the requirements in the technical scope of work for this award and indicate, to the best of your knowledge:

☒ Awardee Restricted Computer Software will NOT be utilized in the performance of this award.

☐ Awardee Restricted Computer Software as follows will be utilized in the performance of this award.

Use this block to provide additional information or provide an attachment:

C. PROJECT PERFORMANCE SITE and CONGRESSIONAL DISTRICT

List the address and congressional district for the primary site where the work will be performed:

Street Address:	9500 Godwin Drive
City:	Manassas
State:	VA

Zip:	20110
Congressional District:	VA-010

If a portion of the work will be performed at any other site(s), identify those site(s) below, and indicate what portion of the effort will be performed at this/these site(s):

Street Address:	3251 Hanover Street
City:	Sunnyvale
State:	CA
Zip:	94086-3403
Congressional District:	CA-014

Briefly describe portion of effort for this Site:

D. INVOICING AND PAYMENTS

1. Has the Awardee received any prior DOE awards administered by the Golden Field Office (GO)?

☐ Yes

If yes, please list the most recent award number: _____

X No

2. Is the Awardee currently enrolled with the U.S. Department of Treasury / ASAP system (Automated Standard Application for Payment System) under the DOE / Golden Field Office (GO) Agency Locator Code (ALC) and Region Code (#8900-0001-04)?

☐ Yes

Enter Awardee Seven-digit ASAP ID Number: _____

X No

3. Please provide the following contact information for ASAP and/or Payments:

IMPORTANT: If not currently enrolled in the ASAP system under GO's ALC and Region Code, the person identified below will be contacted by the U.S. Department of Treasury with further instruction on completing the ASAP enrollment process.

ASAP / Payments Contact Person:

Peter Krone
Senior Manager, Contracts

Phone No.:

703-367-5302

Extension: _____

E-mail:

Peter.krone@lmco.com

4. Indicate preferred payment method below: (NOTE: this section is reserved for universities, hospitals, other non-profit organizations and state and local governments that are authorized Advance Payment Procedures, unless a specific need is supported. All other entities desiring advance payment should discuss with the DOE Award

Administrator.)

- ☐ Payment by Advance is preferred. (SF 272 reporting will be required.)
☒ Payment by Reimbursement is preferred. (SF 272 reporting will not be required.)

REPRESENTATION/CERTIFICATION

I represent by my signature below that all the information provided by this form is accurate.

Name:

Peter Krone

Title:

Senior Manager, Contracts

Signature of Authorized
Company Official:

9/24/08

Date:

U.S. DEPARTMENT OF ENERGY PROJECT MANAGEMENT CENTER



FINANCIAL INFORMATION

PROVIDE ALL INFORMATION REQUESTED ON THIS FORM

Applicant: Lockheed Martin Corporation, Maritime Systems & Sensor Business Unit
Project Title: Advanced Composite OTEC Cold Water Pipe Project
Announcement/Award No: DE-FG36-08GO18172

1. Have you had prior Federal awards? ☒ Yes ☐ No
2. Have you had an outside audit or an A-133 audit? ☒ Yes ☐ No
Since Lockheed Martin Corporation is a for-profit corporation it is governed by FAR Part 31 Cost Principles. Audits have been conducted by the Defense Contract Audit Agency (DCAA) and DCMA, see contact in 4a below.

INFORMATION FOR DETERMINING COGNIZANT AGENCY/OFFICE

3. Applicant's fiscal year end date is December 31
- 4a. Identify Cognizant Federal Agency (agency providing the preponderance of Federal funding), and provide Agency name, a point of contact, phone number, and e-mail.

Agency: Defense Contract Management Agency
Point of Contact: Mr. Carmen J. Scotese
Divisional Administrative Contracting
Officer
Phone: 856 - 722 - 2738
E-mail: carmen.scotese@dcma.mil

- 4b. To assist our office in validating Cognizant Federal Agency (4a), please provide following information for the 5 highest dollar award value for current Federal contracts, grants or awards (do not include sub-awards). (State Agencies and Universities can skip 4b)

Contract/Award #	Awarding Agency	Awarding Office	Start Date	End Date	Total Value
N00024-04-C-6207	NAVAL SEA SYSTEMS COMMAND		12/23/2003	03/01/2011	769,862,717.91
N00024-96-C-6226	NAVAL SEA SYSTEMS COMMAND		04/01/1996	12/01/2009	546,940,502.90
N00039-04-C-0035	USN SPAWAR, SAN DIEGO, CALIFORNIA		05/15/2006	09/30/2010	134,157,175.64
N00030-08-C-0002	NAVY-STRATEGIC SYS PROG- WASHINGTON, D.C.		10/01/2007	03/01/2011	112,303,577.00

- 5a. If applicant has current DOE awards, identify Cognizant DOE Office (office providing the preponderance of DOE funding), and provide DOE office name, a point of contact, phone number, and e-mail.

DOE Office: n/a
Point of Contact (Contracting Officer):
Phone:

E-mail: _____

- 5b. To assist our office in validating Cognizant DOE Office (5a), please provide following information for the 5 highest dollar value awards for current DOE contracts, grants or awards (do not include sub-awards). (State agencies and Universities can skip 5b)

DOE Contract/Award #	DOE Awarding Office	Start Date	End Date	Total Value
n/a				

FINANCIAL MANAGEMENT SYSTEM

To qualify for Financial Assistance, compliance with 10 CFR 600.121 - Higher Education, Hospitals, and Other Non-Profit Organizations, 10 CFR 600.220(b) - State and Local Governments or 10 CFR 600.311 - For-Profit Organizations is required. Please check applicable boxes below.

- ☒ The Financial Management System is in compliance with 10 CFR 600.121, 10 CFR 600.220(b), or 10 CFR 600.311.
- ☐ I do not know if my Financial Management System is in compliance with 10 CFR 600.121, 10 CFR 600.220(b), or 10 CFR 600.311. If this block is checked, complete the survey below.

Accounting System Survey

- | | <u>Yes</u> | <u>No</u> | <u>NA</u> |
|--|------------|--------------------------|--------------------------|
| 1. Is your Accounting System in accordance with Generally Accepted Accounting Principles applicable to the circumstances? | X | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Accounting System provides for: | | | |
| a. Segregation of direct costs from indirect costs. | X | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Identification and accumulation of direct costs by project. | X | <input type="checkbox"/> | <input type="checkbox"/> |
| c. A logical and consistent method for the allocation of indirect costs to intermediate and final cost objectives. (Project is final cost objective) | X | <input type="checkbox"/> | <input type="checkbox"/> |
| d. Accumulation of costs under general ledger control. | X | <input type="checkbox"/> | <input type="checkbox"/> |
| e. A timekeeping system that identifies employees' labor by intermediate and final cost objectives. | X | <input type="checkbox"/> | <input type="checkbox"/> |
| f. A labor distribution system that charges direct and indirect labor to appropriate cost objectives. | X | <input type="checkbox"/> | <input type="checkbox"/> |
| g. Interim (at least monthly) determination of costs charged to a project through routine posting of books of account. | X | <input type="checkbox"/> | <input type="checkbox"/> |
| h. Excluding costs charged to Government projects which are not allowable in terms of FAR 31, Contract Cost Principles and Procedures, or other provisions. | X | <input type="checkbox"/> | <input type="checkbox"/> |
| i. Identification of costs by project line item and by units (as if each unit or line item were a separate project) if required by the proposed award. | X | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Is the Accounting System designed, and are the records maintained in such a manner that adequate, reliable data are developed for use in developing cost proposals? | X | <input type="checkbox"/> | <input type="checkbox"/> |

4. Is the Accounting System currently in full operation?

X ☐ ☐

From: Krone, Peter [peter.krone@lmco.com]
Sent: Tuesday, September 30, 2008 2:00 PM
To: Ramsey, Tim; Framel, Curtis; Wilson, Sara; Liles, Patrick; Moreno, Alejandro (Hq)
Cc: Krone, Peter; Wisnieski, Art; Cooper, Dennis; Varley, Robert
Subject: RE: New DOE Award

Attachments: PMC121_1-PreAwardInfoSheet 9-24-08.doc;
PMC410_1_Financial_Information_Request.doc; StatementOfProjectObj092408Final.doc; LM
Response to PMC 400 9-24-08.doc; LLL Form 9-24-08.pdf; Subcontractor Commit Ltrs.pdf; 2nd Yr
Breakout.xls

Tim

I am attaching the requested information along with two additional requests.

- a. Financial Assistance Pre-Award Information Sheet, PMC 121.1 -Attached
NOTE: Please complete the PMC 121.1 form first and email it to me at
tim.ramsey@go.doe.gov;

- b. Financial Information, PMC 410.1; - Attached

- c. Statement of Project Objectives (template at website below); - Attached

- d. Copy of your approved Indirect Rate Agreement or a Rate Proposal (if not previously provided), following the guidelines in the PMC 400.2 form. - I have attached an LM Response to your request. Our Indirect Rate Proposal is several hundred pages long and covers all U.S. Government work within the Maritime Systems and Sensors (MS2) business unit, of which we are a part. The response includes points of contract within MS2 and DCMA for this rate proposal. If we need to discuss this further, let me know.

- e. Name and phone number of the Designated Responsible Employee for complying with national policies prohibiting discrimination (see 10 CFR 1040.5)

the point of contact is:

Gwen Williams

Equal Employment Opportunity & Diversity Work Management Representative Senior
(EEO & Dvsty Wrk Mgmt Rep Sr)
703-367-3296

- f. SF-LLL Disclosure of Lobbying Activities (negative responses requested) - Attached

I am also attaching two additional items requested during our initial telephone call:

1. Commitment letters from our three subcontractors.
2. Year 2 breakout - the breakout is in the same format as we provided for year 1 and is in an excel format. Please let me know if you need additional information for this item.

Also, you had requested a breakout of the subcontractor effort and we need to discuss this with you. Our application included the subcontractor proposals and I am not sure that we will be able to obtain any further cost detail.

We look forward to working with you on this program. Please contact me if you need any additional information.

Peter Krone
Senior Manager, Contracts
W 703-367-5301
C 571-379-6784

Fx 703-367-4942
peter.krone@lmco.com

From: Ramsey, Tim [mailto:tim.ramsey@go.doe.gov]
Sent: Tuesday, September 09, 2008 6:05 PM
To: Krone, Peter
Subject: New DOE Award

Hello Peter,

It was great talking with you today. Congratulations again on your award. Attached is the electronic copy of the letter we sent. Along with the few clarification points we talked about, below you'll find a few more items we'll need before the conditional award can be lifted. Also, we are checking with the contract officer about making this award a co-operative agreement and will get back to you on that. Please contact us if you have questions at all. We look forward to working with you in the future.

- a. Financial Assistance Pre-Award Information Sheet, PMC 121.1

NOTE: Please complete the PMC 121.1 form first and email it to me at tim.ramsey@go.doe.gov;

- b. Financial Information, PMC 410.1;

- c. Statement of Project Objectives (template at website below);

- d. Copy of your approved Indirect Rate Agreement or a Rate Proposal (if not previously provided), following the guidelines in the PMC 400.2 form.

- e. Name and phone number of the Designated Responsible Employee for complying with national policies prohibiting discrimination (see 10 CFR 1040.5)

- f. SF-LLL Disclosure of Lobbying Activities (negative responses requested)

You can find all the forms you need at <https://www.eere-pmc.energy.gov/Forms.aspx>

Contact Info:

Project Officer: Curtis Framel (303-275-4872) curtis.framel@go.doe.gov

Contract Officer: Sara Wilson (303-275-4922) sara.wilson@go.doe.gov

Contract Specialist: Pat Liles (303-275-4921) pat.liles@go.doe.gov

Project Monitor: Tim Ramsey (303-275-4933) tim.ramsey@go.doe.gov

HQ Program Manager: Alejandro Moreno (202-586-8171) Alejandro.Moreno@ee.doe.gov

Regards,

Tim Ramsey

Project Engineer
Navarro Research and Engineering, Inc.
U.S. DOE Golden Field Office
1617 Cole Blvd.
Golden, CO 80401
303.275.4933
303.275.4753 fax
tim.ramsey@go.doe.gov

STATEMENT OF PROJECT OBJECTIVES

Lockheed Martin Maritime Systems & Sensors, Undersea Systems
Advanced Composite OTEC Cold Water Pipe Project

A. PROJECT OBJECTIVES

The objectives of the Advanced Composite OTEC Cold Water Pipe Project are to:

1. Validate fabrication of the Lockheed Martin (LM) composite CWP design at prototype and Pilot Plant scales,
2. Validate the advanced tooling designs, construction methods, and associated projected cost savings relative to traditional technologies, and
3. Validate the simultaneous construction and deployment concept for a 70m length of 4m diameter CWP into the marine environment.

B. PROJECT SCOPE

Under prior Lockheed Martin investment, we have reduced to practice an innovative approach to Cold Water Pipe fabrication. Our plans for the Advanced Composite OTEC Cold Water Pipe Project are to construct the required tooling and fixtures and demonstrate this innovative fabrication method at a scale required for initial OTEC plants, namely 4m diameter, further scalable to full-size OTEC plants. We design the 4m-size tooling, get it fabricated, assemble it in the laboratory, and check it out by producing a short section of CWP. The LM team then moves the tooling to an existing high-bay test stand in Sunnyvale and demonstrate the entire fabrication and deployment approach. It produces a one-piece Cold Water Pipe with no macroscopic joints. Upon completing the high bay demonstration of the process, the tooling is disassembled and transported to West Virginia University where it is re-assembled for demonstration of the simultaneous construction and deployment operation at Summerville Lake, a location under management of the US Army Corp of Engineers. Fabrication and deployment of a one-piece CWP 70 m long directly into the water from a floating platform are demonstrated and actual construction labor and material costs for use in projecting full-scale commercial plant costs are gathered. The LM team then performs non-destructive evaluation of coupons and full diameter pipe segments to validate the geometry and quality of the Cold Water pipe.

C. TASKS TO BE PERFORMED

BUDGET PERIOD 1

Task 1.0 CWP Fabrication Plans, Procedures & Tooling

Subtask 1.1 Develop Fab Plans & Procedures

During the first year, LM further refines and develops the CWP Fabrication Plans, Procedures & Tooling, starting with the point of departure from the IR&D efforts. This work is done primarily by the PI, consulting with the rest of the team.

Subtask 1.2 Design Tooling and Fixtures

Prototype tooling is designed and documented.

Subtask 1.3 Tooling & Fixtures Fab, Assy, and Checkout

The tooling is fabricated and assembled in the Materials and Processes Development Lab in Sunnyvale and checked out by a small run in that same facility.

Task 2.0 Pultruded Core

In parallel with Task 1.0, we design, fabricate, and prove out the pultrusion setup for the prototype size hollow core segments, and produce the pultruded core pieces for Task 3.0.

Task 3.0 Land Checkout and Test of CWP Manufacturing Process

Subtask 3.1 Manufacturing Platform Integration

This is the capstone work for the first year: We move the prototype tooling to a manufacturing platform providing sufficient "runout" space underneath it for fabrication of a 9 m long section of prototype CWP. This high-bay platform is in Sunnyvale. We integrate the prototype tooling onto the platform. In parallel, we order all of the other materials necessary for the fabrication, including fiberglass, resin, promoters and other chemicals for controlled cure of the resin, and other needed materials.

Subtask 3.2 Prototype Fabrication Demonstration

We perform the land-based fabrication trials allowing any necessary improvements to be incorporated, followed by the actual demonstration fabrication.

Subtask 3.3 Data Collection & On-water Training

During the trials and the demo, we collect labor time data which we expect will be of great value later in credibly estimating the cost of future CWP's. During this demo, the crew that conducts the on-water demo during the second year participates in training for their subsequent duties.

Go / No Go Criteria

Successful land-based fabrication of the prototype CWP is the go/no-go milestone and criterion for continuation into Budget Period 2.

BUDGET PERIOD 2

Task 4.0 At-Sea Demonstration of CWP

Subtask 4.1 Marine Construction Platform

West Virginia University will arrange with the Army Corps of Engineers for the use of Lake Summerville and an appropriate number of barges to make up a suitable and safe Marine Construction Platform. The marine platform is outfitted with the prototype tooling, support equipment, and demonstration material.

Subtask 4.2 Dockside Checkout

We operate and check out the prototype tooling at dockside.

Subtask 4.3 On-Water CWP Fabrication

We conduct CWP Fabrication Trials on the lake and perform the capstone second-year activity, namely on-water (into-the-water) fabrication of 70 m of CWP all as one piece. Again, labor time data is collected for future estimates of costs of on-water CWP fabrication for OTEC plants.

Task 5.0 CWP Test, Evaluation, and Comparison of At-Sea vs. On-Land Results

We evaluate the CWP demonstration pieces and coupons cut from them. Non-destructive evaluation includes inspection by ultrasonic and X-ray.

Task 6.0 Project Management and Reporting

Throughout the schedule, the LM team has included two efforts for Project Management.

- Overall Technical Oversight will ensure continuity and coordination of technical tasks.
- Technical Schedule and Cost Monitoring will ensure that programmatic schedule and cost targets are maintained.

Progress Briefings are scheduled quarterly to ensure that the entire team remains on task with aligned objectives, and the DoE customer is kept informed. Reports and other deliverables will be provided in accordance with the Federal Assistance Reporting Checklist following the instructions included therein. The results of this effort will be presented at future EnergyOcean conventions. It is anticipated that an interim first year status report will be provided in the June 2009 time frame. Completion of first year efforts and, if funded, the status of 2nd year efforts will be presented at EnergyOcean 2010 followed by final results presented in 2011.

September 19, 2008

Lockheed Martin Maritime Systems and Sensors
Subcontracts and Procurement
Attn: August M. Walker
9500 Godwin Drive
Manassas, VA 20110

RE: Fabrication Demonstration and Evaluation of Cold Water Pipe (CWP)

Dear Administrator:

Transmitted herewith please find the Work Statement and Cost Proposal, as prepared by Dr. Hota GangaRao of the College of Engineering and Mineral Resources at West Virginia University. As the authorized representative for the West Virginia University Research Corporation I have reviewed and hereby endorse our participation in the referenced proposal submitted to the Department of Energy.

Should anything further be required regarding this application, please contact Janet Boyles in our Office of Sponsored Programs at (304) 293-3998.

Cordially,



Alan B. Martin
Secretary

ABM/pp
Enclosure
cc: Dr. Hota GangRao
File #09-161



September 19, 2008

Mr. August Walker
Contracts and Procurement
Lockheed Martin Maritime Systems & Sensors
RE: RFQ 05-30-08-001VZ

Dear Mr. Walker:

We are pleased to hear that Lockheed Martin has been conditionally awarded the contract that involves the production of pultruded core segment pieces. We understand that the conditions on contract award are that we (Glasforms, Inc.) must furnish a letter of commitment stating our willingness to perform the work as outlined in our Phase I Quotation. We also understand that Lockheed Martin expects to be officially under contract with the United States Government, Department of Energy by the middle of October, 2008.

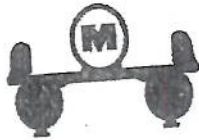
Glasforms is excited about participating in this program and agree to perform the work as outlined in our Phase I Quotation. There are obviously a number of details that will be clarified as we move forward and we look forward to working through this project with you and your colleagues.

Please feel free to contact me with any further questions. Thank you very much.

Sincerely,

Ben Hochman
Market & Product Development Manager
Glasforms, Inc.
408.297.9300

Glasforms, Inc. • 271 Barnard Avenue • San Jose, CA 95125
(888)297-3800 • Fax (408)297-0601 • sales@glasforms.com • <http://www.glasforms.com>



MAKAI OCEAN ENGINEERING, INC.
P.O. BOX 1206 KAILUA, OAHU, HAWAII 96734 USA

September 17, 2008

Mr. A. M. Walker
Subcontracts and Procurement
Lockheed Martin MS2
9500 Godwin Drive
M/S 400/046
Manassas, VA 20110

Dear Mr. Walker,

Thank you for notifying us that Lockheed Martin has been conditionally awarded a competitive contract from the Department of Energy focusing on development of large diameter marine pipelines with applications toward the commercial development of Ocean Thermal Energy Conversion (OTEC).

Makai Ocean Engineering is a recognized expert in the industry for the design of cold water pipes for both OTEC and Sea Water A/C applications. We have enjoyed a long working with Lockheed Martin and would be pleased to serve as a subcontractor on the Department of Energy project to provide subject matter expertise in the design reviews of the construction, manufacture and test of the cold water pipe (CWP).

Sincerely,

REB BELLINGER

Reb Bellinger
Vice President


OCEAN ENGINEERING AND NAVAL ARCHITECTURAL SERVICES
LOCATED AT MAKAPUU POINT, OAHU, HAWAII
(808) 259-8871 • FAX (808) 259-8238
E-mail: makai@makai.com

First Year Only

[illegible]

Disclosure of Lobbying Activities

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure)

1. Type of Federal Action: a. contract <u>C</u> b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	2. Status of Federal Action: a. bid/offer/application <u>B</u> b. initial award c. post-award	3. Report Type: a. initial filing <u>A</u> b. material change
4. Name and Address of Reporting Entity: Lockheed Martin Corporation Maritime Systems and Sensors Business Unit 9500 Godwin Drive Manassas, VA 20110 <u>X</u> Prime Congressional District, if known: VA-010		5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime: n/a Congressional District, if known:
6. Federal Department/Agency: Department of Energy Golden Field Office 1617 Cole Boulevard Golden, CO		7. Federal Program Name/Description: Advanced Composite OTEC Cold Water Pipe Project CFDA Number, if applicable: 81.087
7. Federal Action Number, if known: DE-FG36-08GO018172		9. Award Amount, if known: \$
10. a. Name and Address of Lobbying Registrant (if individual, last name, first name, MI): None		b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI): None
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.		Signature:  Print Name: Peter Krone Title: Senior Manager, Contracts Telephone No.: 703-367-5301 Date: 9/24/08
Federal Use Only		Authorized for Local Reproduction Standard Form - LLL (Rev. 7-97)

the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
4. Enter the full name, address, city, State and zip code of the reporting entity that designates it as, or expects to be, a prime or previously submitted report by this reporting entity that designates it as, or expects to be, a prime in the 1st tier. Enter the full name, address, city, State and zip code of the subawardee, e.g., the first subawardee of the prime. State and subawardee recipient. Identify the tier of the subawardee, subgrants and contract awards under grants.
5. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants. Enter the full name, address, city, State and subawardee recipient. Identify the tier of the subawardee, subgrants and contract awards under grants.
6. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and subawardee recipient. Identify the tier of the subawardee, subgrants and contract awards under grants.
7. Enter the name of the federal agency making the award or loan commitment. Include Congressional District, if known. Enter the name of the federal program name or description for the covered Federal action (item 1). If known, enter the full below agency name, if known. For example, Department of Transportation, United States Coast Guard.
8. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full below agency name, if known. For example, Department of Transportation, United States Coast Guard.
9. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full below agency name, if known. For example, Department of Transportation, United States Coast Guard.
10. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitations for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Included prefixes, e.g., "RFP-DE-90-001."
11. Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act. Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.

(a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

(b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name, and Middle Initial (MI).

The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503

September 8, 2008

Mr. Peter Krone, Senior Manager, Contracts
Lockheed Martin Corporation
9500 Godwin Drive
Manassas, VA 20110

Dear Mr. Krone:

SUBJECT: Funding Opportunity Announcement Number DE-PS36-08GO98030,
Advanced Water Power Projects,
Application Titled: Advanced Composite OTEC Cold Water Pipe Project
Pending Award Number: DE-FG36-08GO18172

Evaluation of your application received in response to the subject Funding Opportunity Announcement has been completed. After a careful review, I am pleased to inform you that your application has been selected for negotiations leading to an award. Due to fiscal year end time constraints, the award will be initially made as a conditional award, prepared using your application's proposed budget information. **DOE will not release funds obligated by the award until the final terms of the award are approved by the Contracting Officer.** All costs incurred prior to the approval of the final terms and conditions of the award, by the DOE Contracting Officer, are at your own risk. A representative from this office will contact you to request additional information and documentation to supplement your application and to negotiate the final terms of the award.

In the near future, this office will implement a new electronic, paperless procurement system called STRIPES. Upon implementation of STRIPES, ALL organizations currently doing or wanting to do business with this office MUST BE registered with the Central Contractor Registration (CCR) and with FedConnect. As a result, it is imperative that you read and react to information provided in the document entitled "CCR and FedConnect Registrations", which can be found at <https://www.eere-pmc.energy.gov/Forms.aspx>.

On behalf of the Department of Energy, I would like to express a sincere appreciation of your interest and participation in the Wind and Hydropower Technologies Program and look forward to initiating this worthwhile project.

Any questions can be addressed to me at 303-275-4872 or curtis.framel@go.doe.gov.

Sincerely,

Curtis Framel
Merit Review Committee Chairperson

Enclosure



FINANCIAL ASSISTANCE AWARD LOG

Page 1 of 1

Awardee: Lockheed Martin Corporation Award No.: DE-FC38-08G018172

[illegible]

Substantial Involvement
Water Power Awards – Cooperative Agreements

DE-FC36-08GO18172 (Lockheed Martin Corporation)

The DOE, in their project management oversight role for the Hydropower Technologies Program, will work closely with Lockheed Martin Corporation, including attending multiple project site visits and planning meetings, in order to assure the optimal overall performance of the project toward meeting DOE's programmatic goals. Also, the proposed scope of the project includes Ocean Thermal Energy Conversion (OTEC), which is a technology of particular importance to DOE. DOE will closely monitor the progress of this technology.

DOE F 4200.40a
(10-03)
(All Other Editions are Obsolete)

U. S. DEPARTMENT OF ENERGY
INDIVIDUAL PROCUREMENT ACTION REPORT (IPAR)

ADD/CHANGE/DELETE

☒ Add

☐ Change

☐ Delete

FINANCIAL ASSISTANCE ACTIONS

1. AWARD BIN DE-FC36-08GO18172		2. MOD NUMBER M001		3. KIND OF AWARD 1Y	
4. DUNS NUMBER		5. CONTRACTOR NAME Lockheed Martin Corporation			6. DIVISION
7. STATE (Place of Performance)	8. COUNTRY (Place of Performance)	9. CITY (Place of Performance)	10. COUNTY (Place of Performance)	11. ZIP CODE (Place of Performance)	12. CONG.DIST (Place of Performance)
13. TYPE OF BUSINESS CODE		14. TYPE AWARD	15. E-GOVT		16. R&D <input type="checkbox"/> Yes <input type="checkbox"/> No
17. HISPANIC INST <input type="checkbox"/> Yes <input type="checkbox"/> No		18. OSTI DEL		19. GOVT PROPERTY	20. COGNIZANT FED AGENCY
21. COG DOE OFF		22. ADMIN DELEG OFFICE (Leave blank if not delegated)		23. ADMIN DELEG DATE (Leave blank if not del.)	
24. TECHNICAL REPRESENTATIVE NAME (Last Name, First Name Middle Initial. Same as phone list) Framel, Curtis		25. SENIOR INVESTIGATOR (First Name, Middle Initial, Last Name) Miller, Allan Dr.			
26. CFDA		27. SBIR <input type="checkbox"/> Yes <input type="checkbox"/> No	28. STATE APPLICATION IDENTIFIER (Leave blank unless CFDA is 81.042)		29. EXTENT COMPLETED
30. COPY ADDRESS (If POP same as legal address) <input type="checkbox"/> Yes <input type="checkbox"/> No		31. LEGAL ADDRESS STATE (Leave blank if 30 is "Yes")		32. LEGAL ADDRESS CITY (Leave blank if 30 is "Yes")	33. LEGAL ADDRESS ZIP (Leave blank if 30 is "Yes")
34. LEGAL ADDRESS DIST (Leave blank if 30 is "Yes")		35. LA CONG. DIST (Leave blank if 30 is "Yes")		36. AWARD DATE	
37. EFFECTIVE DATE 9/15/2008		38. COMPLETION DATE 9/14/2010		39. BUDGET FROM DATE 9/15/2008	
40. BUDGET TO DATE 9/14/2009		41. DESCRIPTION OF WORK Lift Condition Subsequent Status by deleting and replacing the Special Terms and Conditions (Attachment #1); and incorporating the Intellectual Property Provisions (Attachment #2); SF-424A, Budget Information - Non Construction Programs (Attachment #3); Federal Assistance Reporting Checklist and Instructions (Attachment #4); Statement of Project Objectives (Attachment #5); change the Recipient Project Director and the DOE Award Administrator.			
42. SPECIALIST 2306		43. CONTRACTING OFFICER CODE		44. AWARD STATUS AA	
45. RETIREMENT DATE		46. GOVERNMENT SHARE \$0		47. AWARDEE SHARE \$0	
48. TOTAL VALUE \$0		49. STARS PROGRAM CODE or B&R CODE		50. STARS PROGRAM DOLLARS \$	
51. APPLICATION DUE DATE		52. DOLLARS not used		53. PROGRAM OFFICE (NETL) FOA # or "EARMARK" (GO) DE-PS36-08GO98030	
54. SOLICITATION NO. (NETL) DE- PROJECT MONITOR (GO)		55. PR NUMBER (NETL) COST/PRICE ANALYST (GO) Artz, Lisa		56. PROJECT DIVISION CODE (NETL) PROGRAM DIVISIONS (GO) Wind and Hydro Power 05	
57. TRANSFERRED TO OFFICE (Leave blank unless transferred from another DOE office)					

BUTTONS ARE HYPERLINKS AND CORRESPOND TO THE FIELD NUMBERS

[4](#) [7](#) [8](#) [10](#) [11](#) [12](#) [17](#) [22](#) [24](#) [26](#) [31](#) [33](#) [34](#) [35](#) [42](#) [IPAR HANDBOOK](#)

CDLB-1003
Intellectual Property Provisions (CDLB-1003)
Cooperative Agreement - Special Data Statute
Research, Development, or Demonstration
Large Businesses, State and Local Governments, and Foreign Entities

- | | |
|----------------------------------|---|
| 01. FAR 52.227-1 | Authorization and Consent (JUL 1995)-Alternate I
(APR 1984) |
| 02. FAR 52.227-2 | Notice and Assistance Regarding Patent and Copyright
Infringement (AUG 1996) |
| 03. 10 CFR 600.325
Appendix A | Rights in Data - Programs Covered Under Special Data
Statutes (OCT 2003) |
| 04. FAR 52.227-23 | Rights to Proposal Data (Technical) (JUN 1987) |
| 05. 10 CFR 600.325
Appendix A | Patent Rights - (Large Business Firms - No Waiver)
(OCT 2003)* |

NOTE: In reading these provisions, any reference to "contractor" shall mean "recipient," and any reference to "contract" or "subcontract" shall mean "award" or "subaward."

* If a waiver of patent rights is granted, then provisions approved by the DOE patent counsel, in accordance with 10 CFR 784, will be substituted for this Patent Rights provision.

01. FAR 52.227-1 Authorization and Consent (JUL 1995)-Alternate I (APR 1984)

(a) The Government authorizes and consents to all use and manufacture of any invention described in and covered by a United States patent in the performance of this contract or any subcontract at any tier.

(b) The Contractor agrees to include, and require inclusion of, this clause, suitably modified to identify the parties, in all subcontracts at any tier for research and development expected to exceed the simplified acquisition threshold; however, omission of this clause from any subcontract, including those at or below the simplified acquisition threshold, does not affect this authorization and consent.

(End of clause)

02. FAR 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (AUG 1996)

(a) The Contractor shall report to the Contracting Officer, promptly and in reasonable written detail, each notice or claim of patent or copyright infringement based on the performance of this contract of which the Contractor has knowledge.

(b) In the event of any claim or suit against the Government on account of any alleged patent or copyright infringement arising out of the performance of this contract or out of the use of any supplies furnished or work or services performed under this contract, the Contractor shall furnish to the Government, when requested by the Contracting Officer, all evidence and information in possession of the Contractor pertaining to such suit or claim. Such evidence and information shall be furnished at the expense of the Government except where the Contractor has agreed to indemnify the Government.

(c) The Contractor agrees to include, and require inclusion of, this clause in all subcontracts at any tier for supplies or services (including construction and architect-engineer subcontracts and those for material, supplies, models, samples, or design or testing services) expected to exceed the simplified acquisition threshold at FAR 2.101.

(End of clause)

03. 10 CFR 600.325 Appendix A, Rights in Data - Programs Covered Under Special Data Statutes (OCT 2003)

(a) Definitions

Computer Data Bases, as used in this clause, means a collection of data in a form capable of, and for the purpose of, being stored in, processed, and operated on by a computer. The term does not include computer software.

Computer software, as used in this clause, means (i) computer programs which are data comprising a series of instructions, rules, routines, or statements, regardless of the media in which recorded, that allow or cause a computer to perform a specific operation or series of operations and (ii) data comprising source code listings, design details, algorithms, processes, flow charts, formulae and related material that would enable the computer program to be produced, created or compiled. The term does not include computer data bases.

Data, as used in this clause, means recorded information, regardless of form or the media on which it may be recorded. The term includes technical data and computer software. The term does not include information incidental to administration, such as financial, administrative, cost or pricing or management information.

Form, fit, and function data, as used in this clause, means data relating to items, components, or processes that are sufficient to enable physical and functional interchangeability as well as data identifying source, size, configuration, mating and attachment characteristics, functional characteristics, and performance requirements except that for computer software it means data identifying source, functional characteristics, and performance requirements but specifically excludes the source code, algorithm, process, formulae, and flow charts of the software.

Limited rights data, as used in this clause, means data (other than computer software) developed at private expense that embody trade secrets or are commercial or financial and confidential or privileged.

Restricted computer software, as used in this clause, means computer software developed at private expense and

CDLB-1003

that is a trade secret; is commercial or financial and confidential or privileged; or is published copyrighted computer software; including modifications of such computer software.

Protected data, as used in this clause, means technical data or commercial or financial data first produced in the performance of the award which, if it had been obtained from and first produced by a non-federal party, would be a trade secret or commercial or financial information that is privileged or confidential under the meaning of 5 U.S.C. 552(b)(4) and which data is marked as being protected data by a party to the award.

Protected rights, as used in this clause, mean the rights in protected data set forth in the Protected Rights Notice of paragraph (g) of this clause.

Technical data, as used in this clause, means that data which are of a scientific or technical nature. Technical data does not include computer software, but does include manuals and instructional materials and technical data formatted as a computer data base.

Unlimited rights, as used in this clause, means the right of the Government to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform publicly and display publicly, in any manner and for any purpose whatsoever, and to have or permit others to do so.

(b) Allocation of Rights

(1) Except as provided in paragraph (c) of this clause regarding copyright, the Government shall have unlimited rights in--

- (i) Data specifically identified in this agreement as data to be delivered without restriction;
- (ii) Form, fit, and function data delivered under this agreement;
- (iii) Data delivered under this agreement (except for restricted computer software) that constitute manuals or instructional and training material for installation, operation, or routine maintenance and repair of items, components, or processes delivered or furnished for use under this agreement; and
- (iv) All other data delivered under this agreement unless provided otherwise for protected data in accordance with paragraph (g) of this clause or for limited rights data or restricted computer software in accordance with paragraph (h) of this clause.

(2) The Recipient shall have the right to--

- (i) Protect rights in protected data delivered under this agreement in the manner and to the extent provided in paragraph (g) of this clause;
- (ii) Withhold from delivery those data which are limited rights data or restricted computer software to the extent provided in paragraph (h) of this clause;
- (iii) Substantiate use of, add, or correct protected rights or copyrights notices and to take other appropriate action, in accordance with paragraph (e) of this clause; and
- (iv) Establish claim to copyright subsisting in data first produced in the performance of this agreement to the extent provided in subparagraph (c)(1) of this clause.

(c) Copyright

(1) Data first produced in the performance of this agreement. Except as otherwise specifically provided in this agreement, the Recipient may establish, without the prior approval of the Contracting Officer, claim to copyright subsisting in any data first produced in the performance of this agreement. If claim to copyright is made, the Recipient shall affix the applicable copyright notice of 17 U.S.C. 401 or 402 and acknowledgment of Government sponsorship (including agreement number) to the data when such data are delivered to the Government, as well as when the data are published or deposited for registration as a published work in the U.S. Copyright Office. For such copyrighted data, including computer software, the Recipient grants to the Government, and others acting on its behalf, a paid-up nonexclusive, irrevocable, worldwide license to reproduce, prepare derivative works, distribute copies to the public, and perform publicly and display publicly, by or on behalf of the Government, for all such data.

(2) Data not first produced in the performance of this agreement. The Recipient shall not, without prior written permission of the Contracting Officer, incorporate in data delivered under this agreement any data that are not first produced in the performance of this agreement and that contain the copyright notice of 17 U.S.C. 401 or 402, unless the Recipient identifies such data and grants to the Government, or acquires on its behalf, a license of the same scope as set forth in subparagraph (c)(1) of this clause; provided, however, that if such data are computer software, the Government shall acquire a copyright license as set forth in subparagraph (h)(3) of this clause if included in this agreement or as otherwise may be provided in a collateral agreement incorporated or made a part of this agreement.

(3) Removal of copyright notices. The Government agrees not to remove any copyright notices placed on data

pursuant to this paragraph (c), and to include such notices on all reproductions of the data.

(d) Release, Publication and Use of Data

(1) The Receipt shall have the right to use, release to others, reproduce, distribute, or publish any data first produced or specifically used by the Recipient in the performance of this contract, except to the extent such data may be subject to the Federal export control or national security laws or regulations, or unless otherwise provided in this paragraph of this clause or expressly set forth in this contract.

(2) The Recipient agrees that to the extent it receives or is given access to data necessary for the performance of this agreement which contain restrictive markings, the Recipient shall treat the data in accordance with such markings unless otherwise specifically authorized in writing by the Contracting Officer.

(e) Unauthorized Marking of Data

(1) Notwithstanding any other provisions of this agreement concerning inspection or acceptance, if any data delivered under this agreement are marked with the notices specified in subparagraph (g)(2) or (g)(3) of this clause and use of such is not authorized by this clause, or if such data bears any other restrictive or limiting markings not authorized by this agreement, the Contracting Officer may at any time either return the data to the Recipient or cancel or ignore the markings. However, the following procedures shall apply prior to canceling or ignoring the markings.

(i) The Contracting Officer shall make written inquiry to the Recipient affording the Recipient 30 days from receipt of the inquiry to provide written justification to substantiate the propriety of the markings;

(ii) If the Recipient fails to respond or fails to provide written justification to substantiate the propriety of the markings within the 30-day period (or a longer time not exceeding 90 days approved in writing by the Contracting Officer for good cause shown), the Government shall have the right to cancel or ignore the markings at any time after said period and the data will no longer be made subject to any disclosure prohibitions.

(iii) If the Recipient provides written justification to substantiate the propriety of the markings within the period set in subdivision (e)(1)(i) of this clause, the Contracting Officer shall consider such written justification and determine whether or not the markings are to be cancelled or ignored. If the Contracting Officer determines that the markings are authorized, the Recipient shall be so notified in writing. If the Contracting Officer determines, with concurrence of the head of the contracting activity, that the markings are not authorized, the Contracting Officer shall furnish the Recipient a written determination, which determination shall become the final agency decision regarding the appropriateness of the markings unless the Recipient files suit in a court of competent jurisdiction within 90 days of receipt of the Contracting Officer's decision. The Government shall continue to abide by the markings under this subdivision (e)(1)(iii) until final resolution of the matter either by the Contracting Officer's determination become final (in which instance the Government shall thereafter have the right to cancel or ignore the markings at any time and the data will no longer be made subject to any disclosure prohibitions), or by final disposition of the matter by court decision if suit is filed.

(2) The time limits in the procedures set forth in subparagraph (e)(1) of this clause may be modified in accordance with agency regulations implementing the Freedom of Information Act (5 U.S.C. 552) if necessary to respond to a request there under.

(f) Omitted or Incorrect Markings

(1) Data delivered to the Government without either the limited rights or restricted rights notice as authorized by paragraph (g) of this clause, or the copyright notice required by paragraph (c) of this clause, shall be deemed to have been furnished with unlimited rights, and the Government assumes no liability for the disclosure, use, or reproduction of such data. However, to the extent the data has not been disclosed without restriction outside the Government, the Recipient may request, within 6 months (or a longer time approved by the Contracting Officer for good cause shown) after delivery of such data, permission to have notices placed on qualifying data at the Recipient's expense, and the Contracting Officer may agree to do so if the Recipient--

- (i) Identifies the data to which the omitted notice is to be applied;
- (ii) Demonstrates that the omission of the notice was inadvertent;
- (iii) Establishes that the use of the proposed notice is authorized; and
- (iv) Acknowledges that the Government has no liability with respect to the disclosure, use, or reproduction of any such data made prior to the addition of the notice or resulting from the omission of the notice.

- (2) The Contracting Officer may also:
- (i) Permit correction at the Recipient's expense of incorrect notices if the Recipient identifies the data on which correction of the notice is to be made, and demonstrates that the correct notice is authorized; or
 - (ii) Correct any incorrect notices.

(g) Rights to Protected Data

(1) The Recipient may, with the concurrence of DOE, claim and mark as protected data, any data first produced in the performance of this award that would have been treated as a trade secret if developed at private expense. Any such claimed "protected data" will be clearly marked with the following Protected Rights Notice, and will be treated in accordance with such Notice, subject to the provisions of paragraphs (e) and (f) of this clause.

PROTECTED RIGHTS NOTICE

These protected data were produced under agreement no. DE-FC36-08GO18172 with the U.S. Department of Energy and may not be published, disseminated, or disclosed to others outside the Government until five (5) years from the date the data were first produced, unless express written authorization is obtained from the recipient. Upon expiration of the period of protection set forth in this Notice, the Government shall have unlimited rights in this data. This Notice shall be marked on any reproduction of this data, in whole or in part.

(End of notice).

(2) Any such marked Protected Data may be disclosed under obligations of confidentiality for the following purposes:

(a) For evaluation purposes under the restriction that the "Protected Data" be retained in confidence and not be further disclosed; or

(b) To subcontractors or other team members performing work under this Award.

(3) The obligations of confidentiality and restrictions on publication and dissemination shall end for any Protected Data:

(a) At the end of the protected period;

(b) If the data becomes publicly known or available from other sources without a breach of the obligation of confidentiality with respect to the Protected Data;

(c) If the same data is independently developed by someone who did not have access to the Protected Data and such data is made available without obligations of confidentiality; or

(d) If the Recipient disseminates or authorizes another to disseminate such data without obligations of confidentiality.

(4) However, the Recipient agrees that the following types of data are not considered to be protected and shall be provided to the Government when required by this award without any claim that the data are Protected Data: General test results and data that demonstrates progress toward meeting DOE's technical goals to validate advanced fabrication, tooling designs, construction methods, and associated projected cost savings relative to traditional cold water pipe technologies. The parties agree that notwithstanding the data enumerated above, nothing precludes the Government from seeking delivery of additional data in accordance with this award, or from making publicly available additional nonprotected data, nor does the preceding enumerated data constitute any admission by the Government that technical data not so enumerated is Protected Data.

(5) The Government's sole obligation with respect to any protected data shall be as set forth in this paragraph (g).

(h) Protection of Limited Rights Data

When data other than that listed in subparagraphs (b)(1)(i), (ii), and (iii) of this clause are specified to be delivered under this agreement and such data qualify as either limited rights data or restricted computer software, the Recipient, if the Recipient desires to continue protection of such data, shall withhold such data and not furnish them to the Government under this agreement. As a condition to this withholding the Recipient shall identify the data being withheld and furnish form, fit, and function data in lieu thereof.

(i) Subaward/Contract

The Recipient has the responsibility to obtain from its subrecipients/contractors all data and rights therein necessary to fulfill the Recipient's obligations to the Government under this agreement. If a subrecipient/contractor refuses to accept terms affording the Government such rights, the Recipient shall promptly bring such refusal to the attention of the Contracting Officer and not proceed with subaward/contract award without further authorization.

(j) Additional Data Requirements

In addition to the data specified elsewhere in this agreement to be delivered, the Contracting Officer may, at anytime during agreement performance or within a period of 3 years after acceptance of all items to be delivered under this agreement, order any data first produced or specifically used in the performance of this agreement. This clause is applicable to all data ordered under this subparagraph. Nothing contained in this subparagraph shall require the Recipient to deliver any data the withholding of which is authorized by this clause or data which are specifically identified in this agreement as not subject to this clause. When data are to be delivered under this subparagraph, the Recipient will be compensated for converting the data into the prescribed form, for reproduction, and for delivery.

(k) The Recipient agrees, except as may be otherwise specified in this agreement for specific data items listed as not subject to this paragraph, that the Contracting Officer or an authorized representative may, up to three years after acceptance of all items to be delivered under this contract, inspect at the Recipient's facility any data withheld pursuant to paragraph (h) of this clause, for purposes of verifying the Recipient's assertion pertaining to the limited rights or restricted rights status of the data or for evaluating work performance. Where the Recipient whose data are to be inspected demonstrates to the Contracting Officer that there would be a possible conflict of interest if the inspection were made by a particular representative, the Contracting Officer shall designate an alternate inspector.

(End of clause)

04. FAR 52.227-23 Rights to Proposal Data (Technical) (JUN 1987)

Except for data contained on pages 5,6,7,8,9,10,11 and 12, it is agreed that as a condition of award of this contract, and notwithstanding the conditions of any notice appearing thereon, the Government shall have unlimited rights (as defined in the "Rights in Data-General" clause contained in this contract) in and to the technical data contained in the proposal dated 06/15/2008, upon which this contract is based.

05 10 CFR 600.325 Appendix A, Patent Rights - (Large Business Firms - No Waiver) (OCT 2003)

(a) Definitions

DOE patent waiver regulations, as used in this clause, means the Department of Energy patent waiver regulations in effect on the date of award. See 10 CFR part 784.

Invention, as used in this clause, means any invention or discovery which is or may be patentable or otherwise protectable under title 35 of the United States Code or any novel variety of plant that is or may be protectable under the Plant Variety Protection Act (7 U.S.C. 2321, et seq.).

Subject invention, as used in this clause, means any invention of the Recipient conceived or first actually reduced to practice in the course of or under this agreement.

(b) Allocations of Principal Rights

(1) Assignment to the Government. The Recipient agrees to assign to the Government the entire right, title, and interest throughout the world in and to each subject invention, except to the extent that rights are retained by the Recipient under subparagraph (b)(2) and paragraph (d) of this clause.

(2) Greater rights determinations. The Recipient, or an employee-inventor after consultation with the Recipient, may request greater rights than the nonexclusive license and the foreign patent rights provided in paragraph (d) of this clause on identified inventions in accordance with the DOE patent waiver regulation. Each determination of greater rights under this agreement shall be subject to paragraph (c) of this clause, unless otherwise provided in the greater rights determination, and to the reservations and conditions deemed to be appropriate by the Secretary of Energy or designee.

(c) Minimum Rights Acquired by the Government

With respect to each subject invention to which the Department of Energy grants the Recipient principal or exclusive rights, the Recipient agrees to grant to the Government: A nonexclusive, nontransferable, irrevocable, paidup license to practice or have practiced each subject invention throughout the world by or on behalf of the Government of the United States (including any Government agency); "march-in rights" as set forth in 37 CFR 401.14(a)(J)); preference for U.S. industry as set forth in 37 CFR 401.14(a)(I); periodic reports upon request, no more frequently than annually, on the utilization or intent of utilization of a subject invention in a manner consistent with 35 U.S.C. 202(c)(5); and such Government rights in any instrument transferring rights in a subject invention.

(d) Minimum Rights to the Recipient

(1) The Recipient is hereby granted a revocable, nonexclusive, royalty-free license in each patent application filed in any country on a subject invention and any resulting patent in which the Government obtains title, unless the Recipient fails to disclose the subject invention within the times specified in subparagraph (e)(2) of this clause. The Recipient's license extends to its domestic subsidiaries and affiliates, if any, within the corporate structure of which the Recipient is a part and includes the right to grant sublicenses of the same scope to the extent the Recipient was legally obligated to do so at the time the agreement was awarded. The license is transferable only with the approval of DOE except when transferred to the successor of that part of the Recipient's business to which the invention pertains.

(2) The Recipient may request the right to acquire patent rights to a subject invention in any foreign country where the Government has elected not to secure such rights, subject to the minimum rights acquired by the Government similar to paragraph (c) of this clause. Such request must be made in writing to the Patent Counsel as part of the disclosure required by subparagraph (e)(2) of this clause, with a copy to the DOE Contracting Officer. DOE approval, if given, will be based on a determination that this would best serve the national interest.

(e) Invention Identification, Disclosures, and Reports

(1) The Recipient shall establish and maintain active and effective procedures to assure that subject inventions are promptly identified and disclosed to Recipient personnel responsible for patent matters within 6 months of conception and/or first actual reduction to practice, whichever occurs first in the performance of work under this agreement. These procedures shall include the maintenance of laboratory notebooks or equivalent records and other records as are reasonably necessary to document the conception and/or the first actual reduction to practice of subject inventions, and records that show that the procedures for identifying and disclosing the inventions are followed. Upon request, the Recipient shall furnish the Contracting Officer a description of such procedures for evaluation and for determination as to their effectiveness.

(2) The Recipient shall disclose each subject invention to the DOE Patent Counsel with a copy to the Contracting Officer within 2 months after the inventor discloses it in writing to Recipient personnel responsible for patent matters or, if earlier, within 6 months after the Recipient becomes aware that a subject invention has been made, but in any event before any on sale, public use, or publication of such invention known to the Recipient. The disclosure to DOE shall be in the form of a written report and shall identify the agreement under which the invention was made and the inventor(s). It shall be sufficiently complete in technical detail to convey a clear understanding, to the extent known at the time of the disclosure, of the nature, purpose, operation, and physical, chemical, biological, or electrical characteristics of the invention. The disclosure shall also identify any publication, on sale, or public use of the invention and whether a manuscript describing the invention has been submitted for publication and, if so, whether it has been accepted for publication at the time of disclosure. In addition, after disclosure to DOE, the Recipient shall promptly notify Patent Counsel of the acceptance of any manuscript describing the invention for publication or of any on sale or public use planned by the Recipient. The report should also include any request for a greater rights determination in accordance with subparagraph (b)(2) of this clause. When an invention is disclosed to DOE under this paragraph, it shall be deemed to have been made in the manner specified in Sections (a)(1) and (a)(2) of 42 U.S.C. 5908, unless the Recipient contends in writing at the time the invention is disclosed that it was not so made.

(3) The Recipient shall furnish the Contracting Officer a final report, within 3 months after completion of the work listing all subject inventions or containing a statement that there were no such inventions, and listing all subawards/contracts at any tier containing a patent rights clause or containing a statement that there were no such subawards/contracts.

(4) The Recipient agrees to require, by written agreement, its employees, other than clerical and nontechnical employees, to disclose promptly in writing to personnel identified as responsible for the administration of patent matters and in a format suggested by the Recipient each subject invention made under subaward/contract in order that the Recipient can comply with the disclosure provisions of paragraph (c) of this clause, and to execute all papers necessary to file patent applications on subject inventions and to establish the Government's rights in the subject inventions. This disclosure format should require, as a minimum, the information required by subparagraph (e)(2) of this clause.

(5) The Recipient agrees, subject to FAR 27.302(j), that the Government may duplicate and disclose subject invention disclosures and all other reports and papers furnished or required to be furnished pursuant to this clause.

(f) Examination of Records Relating to Inventions

(1) The Contracting Officer or any authorized representative shall, until 3 years after final payment under this agreement, have the right to examine any books (including laboratory notebooks), records, and documents of the Recipient relating to the conception or first actual reduction to practice of inventions in the same field of technology as the work under this agreement to determine whether--

- (i) Any such inventions are subject inventions;
 - (ii) The Recipient has established and maintains the procedures required by subparagraphs (e)(1) and (4) of this clause;
 - (iii) The Recipient and its inventors have complied with the procedures.
- (2) If the Contracting Officer learns of an unreported Recipient invention which the Contracting Officer believes may be a subject invention, the Recipient may be required to disclose the invention to DOE for a determination of ownership rights.
- (3) Any examination of records under this paragraph will be subject to appropriate conditions to protect the confidentiality of the information involved.

(g) Subaward/Contract

(1) The recipient shall include the clause PATENT RIGHTS (SMALL BUSINESS FIRMS AND NONPROFIT ORGANIZATIONS) (suitably modified to identify the parties) in all subawards/contracts, regardless of tier, for experimental, developmental, demonstration, or research work to be performed by a small business firm or domestic nonprofit organization, except where the work of the subaward/contract is subject to an Exceptional Circumstances Determination by DOE. In all other subawards/contracts, regardless of tier, for experimental, developmental, demonstration, or research work, the Recipient shall include this clause (suitably modified to identify the parties), or an alternate clause as directed by the contracting officer. The Recipient shall not, as part of the consideration for awarding the subaward/contract, obtain rights in the subrecipient's/contractor's subject inventions.

- (2) In the event of a refusal by a prospective subrecipient/contractor to accept such a clause the Recipient:
- (i) Shall promptly submit a written notice to the Contracting Officer setting forth the subrecipient/contractor's reasons for such refusal and other pertinent information that may expedite disposition of the matter; and
 - (ii) Shall not proceed with such subaward/contract without the written authorization of the Contracting Officer.
- (3) In the case of subawards/contracts at any tier, DOE, the subrecipient/contractor, and Recipient agree that the mutual obligations of the parties created by this clause constitute a contract between the subrecipient/contractor and DOE with respect to those matters covered by this clause.

(4) The Recipient shall promptly notify the Contracting Officer in writing upon the award of any subaward/contract at any tier containing a patent rights clause by identifying the subrecipient/contractor, the applicable patent rights clause, the work to be performed under the subaward/contract, and the dates of award and estimated completion. Upon request of the Contracting Officer, the Recipient shall furnish a copy of such subaward/contract, and, no more frequently than annually, a listing of the subawards/contracts that have been awarded.

(5) The Recipient shall identify all subject inventions of a subrecipient/contractor of which it acquires knowledge in the performance of this agreement and shall notify the Patent Counsel, with a copy to the contracting officer, promptly upon identification of the inventions.

(h) Atomic Energy

- (1) No claim for pecuniary award of compensation under the provisions of the Atomic Energy Act of 1954, as

amended, shall be asserted with respect to any invention or discovery made or conceived in the course of or under this agreement.

(2) Except as otherwise authorized in writing by the Contracting Officer, the Recipient will obtain patent agreements to effectuate the provisions of subparagraph (h)(1) of this clause from all persons who perform any part of the work under this agreement, except nontechnical personnel, such as clerical employees and manual laborers.

(i) Publication

It is recognized that during the course of the work under this agreement, the Recipient or its employees may from time to time desire to release or publish information regarding scientific or technical developments conceived or first actually reduced to practice in the course of or under this agreement. In order that public disclosure of such information will not adversely affect the patent interests of DOE or the Recipient, patent approval for release of publication shall be secured from Patent Counsel prior to any such release or publication.

(j) Forfeiture of Rights in Unreported Subject Inventions

(1) The Recipient shall forfeit and assign to the Government, at the request of the Secretary of Energy or designee, all rights in any subject invention which the Recipient fails to report to Patent Counsel within six months after the time the Recipient:

- (i) Files or causes to be filed a United States or foreign patent application thereon; or
- (ii) Submits the final report required by subparagraph (e)(3) of this clause, whichever is later.

(2) However, the Recipient shall not forfeit rights in a subject invention if, within the time specified in subparagraph (e)(2) of this clause, the Recipient:

(i) Prepares a written decision based upon a review of the record that the invention was neither conceived nor first actually reduced to practice in the course of or under the agreement and delivers the decision to Patent Counsel, with a copy to the Contracting Officer, or

(ii) Contending that the invention is not a subject invention, the Recipient nevertheless discloses the invention and all facts pertinent to this contention to the Patent Counsel, with a copy of the Contracting Officer; or

(iii) Establishes that the failure to disclose did not result from the Recipient's fault or negligence.

(3) Pending written assignment of the patent application and patents on a subject invention determined by the Secretary of Energy or designee to be forfeited (such determination to be a final decision under the Disputes clause of this agreement), the Recipient shall be deemed to hold the invention and the patent applications and patents pertaining thereto in trust for the Government. The forfeiture provision of this paragraph (j) shall be in addition to and shall not supersede other rights and remedies which the Government may have with respect to subject inventions.

(End of clause)

U.S. DEPARTMENT OF ENERGY
GOLDEN FIELD OFFICE



FINANCIAL ASSISTANCE COMBINED COST/TECHNICAL EVALUATION
AND NEGOTIATION MEMORANDUM, FOR USE WITH SF424A BUDGETS

SECTION I - GENERAL INFORMATION

This technical evaluation/negotiation memorandum should be prepared jointly by the assigned DOE/GO OCPM AND OAFA personnel, to document the specific action being evaluated and supported. Each office has responsibility for certain sections of this document. The assigned OCPM and OAFA personnel responsible for the action will both sign this document upon its completion, demonstrating their agreement on its contents.

1. Recipient: Lockheed Martin Corporation
- Address: 9500 Godwin Drive, Manassas VA, 20110
- Technical Point of Contact: Alan Miller Phone: 408-742-9565
E-mail address: alan.miller@lmco.com Fax: _____
- Business Point of Contact: Peter Krone Phone: 703-367-5301
E-mail address: peter.krone@lmco.com Fax: 703-367-4942
2. Grant/Cooperative Agreement No: DE-FC36-08GO18172 Amendment No.: M001
Project Title: Advanced Composite OTEC Cold Water Pipe Project
3. Type of Action: ☐ New Award ☐ Renewal ☐ Continuation ☒ Revision

Description of this Action: (NOTE: Indicate what is addressed by this Action only):

This action will lift the condition subsequent on the award to Lockheed Martin Corporation, GO18172, by providing the required information remaining per A000. This action also negotiates the project budget and SOPO, changes the statutory consideration of the award to the Energy Independence and Security Act of 2007, and updates the Deliverable Requirements Checklist.

4. Award type, as determined at Procurement Strategy Meeting (for new awards): ☐ Grant ☒ Cooperative Agreement

If Cooperative Agreement, provide the specifics of the Substantial Involvement. (Note: This language will be used in the Substantial Involvement provision of the award.):

The award, per A000, was made as a cooperative agreement and is not changing at this time. The DOE, in their project management oversight role for the Hydropower Technologies Program, will work closely with Lockheed Martin Corporation, including attending multiple project site visits and planning meetings, in order to assure the optimal overall performance of the project toward meeting DOE's programmatic goals. Also, the proposed scope of the project includes Ocean Thermal Energy Conversion (OTEC), which is a technology of particular importance to DOE. DOE will closely monitor the progress of this technology.

5. New/Revised Project Period for this Award: From: 9/15/2008 To: 9/14/2010
New/Revised Budget Period for this Award: From: 9/15/2008 To: 9/14/2009

6. Compliance Assessment (for other than new awards):

a. Deliverables

The Recipient is current in submitting required reports: ☒ Yes ☐ No

If no, identify the delinquent report(s), indicate what action(s) have been taken to remedy the situation, and identify what further action(s) are necessary, if any:

b. Financial

The Recipient is current in meeting the cost share requirement: ☒ Yes ☐ No

If no, indicate what action(s) have been taken to remedy the situation and validate why this new action should proceed:

7. Check the applicable box for Funding Appropriation: ☐ Interior ☒ Energy and Water

8. Check the applicable box for Statutory Authority:

- ☐ 83-703, Atomic Energy Act
☐ 91-190, National Environmental Policy Act
☐ 93-410, Geothermal Energy Research, Development and Demonstration Act
☐ 93-438, Energy Reorganization Act
☐ 93-577, Federal Nonnuclear Energy Research and Development Act
☐ 94-163, Energy Policy and Conservation Act
☐ 95-91, Department of Energy Organization Act
☐ 95-238, Department of Energy Act
☐ 99-661, National Defense Authorization Act for Fiscal Year _____
☐ 102-486, Energy Policy Act of 1992
☐ 104-271, Hydrogen Future Act
☐ 109-58, Energy Policy Act 2005
☒ 110-140, Energy Independence and Security Act 2007
☐ Other: _____

9. Per 10 CFR 600, the preferred payment method for State/Local Governments, Institutions of Higher Education, Hospitals, or Other Non-Profit Organizations is **Advance**. The preferred Payment Method for For-Profit organizations is **reimbursement**. If the preferred payment method is not planned for a new award, provide an explanation below. Also explain below if the payment method for the award is being changed by this action.

ASAP Reimbursement

10. OAFA Specialist to complete:

Is the proposed Recipient on the debarred or suspended list? Yes ☐ No ☒
 Are the proposed subrecipients/subcontractors on the debarred or suspended list? Yes ☐ No ☒
 Is the Project Director on the debarred or suspended list? Yes ☐ No ☒
 If yes for either response above, award cannot be made without obtaining a waiver. See attached waiver.
 The review was conducted on the Internet on 02/24/09 Printout included at Tab 8 of file.

(Date)

11. Negotiation:

Government Negotiator(s)			Recipient Negotiator(s)	
	Name	Position	Name	Position
1.	Sara Wilson	Contract Officer	Alan Miller	PI
2.	Curtis Framel	Project Officer	Peter Krone	Business Contact
3.	Pamela Brodie	Contract Specialist		
4.	Tim Ramsey	Project Engineer		
5.	Nanette Ortiz	Procurement Specialist		

SECTION II – TECHNICAL EVALUATION AND NEGOTIATION SUMMARY**Lockheed Martin – Prime Recipient**

- A. The following Project Officer and Contract Specialist evaluation and negotiation commentary and recommendations are based upon their reviews of the original IIPS/Grants.gov application dated 6/15/08, as revised and supplemented by the submission(s) of 9/29/08 & 11/17/08, and the input(s) of the cognizant Federal audit agency representative and/or OAFA cost analyst. These reviews have resulted in the following analysis, and agreement on a SOPO and budget for this action, based on the recipient submission of 9/29/08 & 11/17/08.

Budget Overview / General Comments (Note: If the original IIPS/grants.gov application budget is NOT the budget being evaluated by the Project Officer, to arrive at his/her Recommended Costs, this should be explained below):

N/A

Note: List proposed amounts by category even if there are no differences in the dollar amount.

Element of Cost	Original IIPS/Grants.gov Application Budget (SF424A)	Recommended Costs (Project Officer)	Negotiated Costs (CS/CO)	Fringe Benefits and Indirects	
				Proposed Rate	Negotiated Rate
	EX. 4	EX. 4	EX. 4	Included in Personnel and Overhead	
	\$0	\$0	\$0		
REDACTED EXEMPTION 4	EX. 4	EX. 4	EX. 4		
	\$0	\$0	\$0		
	\$0	\$0	\$0		
	EX. 4	EX. 4	EX. 4		
	\$0	\$0	\$0		
Other	\$0	\$0	\$0		
REDACTED EXEMPTION 4	REDACTED EXEMPTION 4	REDACTED EXEMPTION 4	REDACTED EXEMPTION 4	TBD	
TOTAL	\$3,922,229	\$3,922,229	\$3,922,229		
Program Income	\$0	\$0	\$0		
DOE Share (non-FFRDC)	\$1,195,758	\$1,195,758	\$1,195,758		
DOE Share (FFRDC)	\$0	\$0	\$0		
Total DOE Share	\$1,195,758	\$1,195,758	\$1,195,758		
Non-Federal Cost Share	\$2,726,471	\$2,726,471	\$2,726,471		

In addition to addressing Number 1 below, for each element of direct cost for which the Recipient was required to provide budgetary backup information, the Project Officer will: (Note: If budgetary backup information was not required, indicate "N/A".)

- Discuss what constitutes the proposed resource (i.e., hours of Personnel, amount of Travel, what the Equipment and Supply and Other items are, what the contractual, and construction efforts are).
- Discuss the basis of the Project Officer's acceptance of the need for the resource to accomplish the SOPO efforts for the action.

- State his/her agreement or disagreement with the proposed cost for the resource, and explain why or why not. If there is disagreement, provide an indication of the recommended estimate for inclusion in the budget, and its basis.

For each element of direct cost, the Contract Specialist will add his/her additional comments, as necessary and as indicated below, and will also address Fringe Benefits and Indirect Charges. How Fringe Benefits and Indirect Charges were derived (i.e., DHHS, DCAA, Other/Local approval, etc.) will be indicated.

1. Briefly describe and explain any material change(s) to the Statement of Project Objectives provided in the application:

Project Officer commentary:
None.

- ☒ Contract Specialist concurs.
☐ Contract Specialist concurs, with the following additional comments:

2. Personnel:

Project Officer commentary:

REDACTED
EXEMPTION 4

Title/Group	Time BP1/BP2 (hrs)	X	Rate BP1/BP2	= Total BP1/BP2
REDACTED EXEMPTION 4				

REDACTED
EXEMPTION 4

Total: hours \$i

The proposed labor mix is consistent with the type of work being performed for a total of:

The Personnel costs proposed are considered reasonable for the scope of work to be performed.

- ☒ Contract Specialist concurs.
☐ Contract Specialist concurs, with the following additional comments:

3. Fringe Benefits:

REDACTED
EXEMPTION 4

4. Travel:

Project Officer commentary:

REDACTED
EXEMPTION 4

5. Equipment:

Project Officer commentary:

N/A – None Proposed

☒ Contract Specialist concurs.

☐ Contract Specialist concurs, with the following additional comments:

6. Supplies:

Project Officer commentary:

N/A – None Proposed

☒ Contract Specialist concurs.

☐ Contract Specialist concurs, with the following additional comments:

7. Contractual:

Project Officer commentary:

The application process Contract Specialist concurs.

REDACTED
EXEMPTION 4

REDACTED
EXEMPTION 4

The proposed Contractual costs are considered reasonable for the scope of work to be performed.

- ☒ Contract Specialist concurs.
☐ Contract Specialist concurs, with the following additional comments:

8. Construction:

Project Officer commentary:
N/A – None Proposed

- ☒ Contract Specialist concurs.
☐ Contract Specialist concurs, with the following additional comments:

9. Other costs:

Project Officer commentary:
N/A – None Proposed

- ☒ Contract Specialist concurs.
☐ Contract Specialist concurs, with the following additional comments:

10. Indirect Charges:

REDACTED
EXEMPTION 4

B. The following Project Officer and Contract Specialist evaluation and negotiation commentary and recommendations address their agreement on all additional considerations for this award.

1. Any special provisions agreed upon for inclusion in this award will be indicated, and the rationale for their inclusion provided below.

- The DOE, in their project management oversight role for the Hydropower Technologies Program, will work closely with Lockheed Martin Corporation, including attending multiple project site visits and planning meetings, in order to assure the optimal overall performance of the project toward meeting DOE's programmatic goals. Also, the proposed scope of the project includes Ocean Thermal Energy Conversion (OTEC), which is a technology of particular importance to DOE. DOE will closely monitor the progress of this technology.
- The Awardee is restricted from taking any action using DOE funds which would have an adverse affect on the

REDACTED
EXEMPTION 4

REDACTED
EXEMPTION 4

2. Project is a: ☒ Research ☒ Development ☐ Demonstration ☐ Other: _____ (Explain)

The minimum recipient's cost share required for this award is: 50 %

The recipient proposed cost share for this award is: 70 %

An explanation of each cost share item accepted by the Project Officer and Contract Specialist for this award, with an explanation of the recommended basis/estimate for these cost share items will be provided below:

If the recipient does not meet the required cost share for this award, an explanation of the reason and authority for the reduction or waiver of the cost share requirement should be included below:

NA

3. If a negotiation strategy, or strategies, is/are the basis of the selection made for this project award, provide a discussion below of how this was addressed and resolved.

NA

4. Any other comments or concerns of the Project Officer and/or Contract Specialist for this award, and the recommended approach to mitigating them, will be explained and addressed below.

REDACTED
EXEMPTION 4

SECTION II – TECHNICAL EVALUATION AND NEGOTIATION SUMMARY
Lockheed Martin - Advanced Technology Center (LM-ATC) – Sub Recipient

The following Project Officer and Contract Specialist evaluation and negotiation commentary and recommendations are based upon their reviews of the original IIPS/Grants.gov application dated 6/15/08, as revised and supplemented by the submission(s) of 9/29/08 & 11/17/08, and the input(s) of the cognizant Federal audit agency representative and/or OAFA cost analyst. These reviews have resulted in the following analysis, and agreement on a SOPO and budget for this action, based on the recipient submission of 9/29/08 & 11/17/08.

Budget Overview / General Comments (Note: If the original IIPS/grants.gov application budget is NOT the budget being evaluated by the Project Officer, to arrive at his/her Recommended Costs, this should be explained below):

N/A

Note: List proposed amounts by category even if there are no differences in the dollar amount.

Element of Cost	Original IIPS/Grants.gov Application Budget (SF424A)	Recommended Costs (Project Officer)	Negotiated Costs (CS/CO)	Fringe Benefits and Indirects	
				Proposed Rate	Negotiated Rate
REDACTED EXEMPTION 4	REDACTED EXEMPTION 4	REDACTED EXEMPTION 4	REDACTED EXEMPTION 4	REDACTED EXEMPTION 4	REDACTED EXEMPTION 4
	\$0	\$0	\$0		
	\$0	\$0	\$0		
	\$0	\$0	\$0		
Other	EX 4	EX 4	EX 4		
REDACTED EXEMPTION 4	REDACTED EXEMPTION 4	REDACTED EXEMPTION 4	REDACTED EXEMPTION 4	REDACTED EXEMPTION 4	REDACTED EXEMPTION 4
TOTAL	\$1,872,783	\$1,872,783	\$1,872,783		
Program Income	\$0	\$0	\$0		
DOE Share (non-FRDC)	\$0	\$0	\$0		
DOE Share (FRDC)	\$0	\$0	\$0		
Total DOE Share	\$0	\$0	\$0		
Non-Federal Cost Share	\$1,872,783	\$1,872,783	\$1,872,783		

In addition to addressing Number 1 below, for each element of direct cost for which the Recipient was required to provide budgetary backup information, the Project Officer will: (Note: If budgetary backup information was not required, indicate "N/A".)

- Discuss what constitutes the proposed resource (i.e., hours of Personnel, amount of Travel, what the Equipment and Supply and Other items are, what the contractual, and construction efforts are).
- Discuss the basis of the Project Officer's acceptance of the need for the resource to accomplish the SOPO efforts for the action.
- State his/her agreement or disagreement with the proposed cost for the resource, and explain why or why not. If there is disagreement, provide an indication of the recommended estimate for inclusion in the budget, and its basis.

For each element of direct cost, the Contract Specialist will add his/her additional comments, as necessary and as indicated below, and will also address Fringe Benefits and Indirect Charges. How Fringe Benefits and Indirect Charges were derived (i.e., DHHS, DCAA, Other/Local approval, etc.) will be indicated.

1. Briefly describe and explain any material change(s) to the Statement of Project Objectives provided in the application:

Project Officer commentary:

None.

- ☒ Contract Specialist concurs:
☐ Contract Specialist concurs, with the following additional comments:

2. Personnel:

Project Officer commentary:

REDACTED
EXEMPTION 4

- ☐ Contract Specialist concurs.
☒ Contract Specialist concurs, with

REDACTED
EXEMPTION 4

3. Fringe Benefits:

REDACTED
EXEMPTION 4

4. Travel:

Project Officer commentary:

REDACTED
EXEMPTION 4

- ☒ Contract Specialist concurs.
☐ Contract Specialist concurs, with the following additional comments:

5. Equipment:

Project Officer commentary:

REDACTED
EXEMPTION 4

REDACTED
EXEMPTION 4

- ☒ Contract Specialist concurs.
☐ Contract Specialist concurs, with the following additional comments:

6. Supplies:

Project Officer commentary:
N/A – None Proposed

- ☒ Contract Specialist concurs.
☐ Contract Specialist concurs, with the following additional comments:

7. Contractual:

Project Officer commentary:
N/A – None Proposed

- ☒ Contract Specialist concurs.
☐ Contract Specialist concurs, with the following additional comments:

8. Construction:

Project Officer commentary:
N/A – None Proposed

- ☒ Contract Specialist concurs.
☐ Contract Specialist concurs, with the following additional comments:

9. Other costs:

Project Officer commentary:

REDACTED
EXEMPTION 4

- ☒ Contract Specialist concurs.
☐ Contract Specialist concurs, with the following additional comments:

10. Indirect Charges:

REDACTED
EXEMPTION 4

SECTION III - RECOMMENDATIONS/APPROVAL

Signatures of the Project Officer and Contract Specialist, indicating their recommendations, as indicated below, will occur after their mutual agreement on the contents of this document, and before the review and approval process for the action.

1. Technical Recommendation

The project is deemed technically acceptable and should be considered for a financial assistance award. The resources have been reviewed relative to the Statement of Project Objectives and are found to be reasonable, except as previously noted herein.

SEE ATTACHED

Signature

Date

Curtis Framel

Project Officer

2. Contract Specialist Recommendation

In view of the above analysis, the technical evaluation, and considering all known factors, this Award is recommended.

Signature

Date

Pamela Brodie

Contract/Grants and Agreements Specialist

3. Contracting Officer Approval

☐ I concur with the above recommendation, consider this Award to be in the best interest of the Government, and approve the award documents. (Select this box if the preparer is not the contracting officer)

☐ In view of the analysis, the technical evaluation, and considering all known factors, this Award is considered to be in the best interest of the Government and approved. (Select this box if the preparer is also the contracting officer and indicate N/A in Block 2.)

Signature

Date

Sara Wilson

Contracting Officer